

**DISCLAIMER**

*This electronic version of an SCC order is for informational purposes only and is not an official document of the Commission. An official copy may be obtained from the [Clerk of the Commission, Document Control Center](#).*

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, SEPTEMBER 23, 1998

APPLICATION OF

Z-TEL COMMUNICATIONS OF VIRGINIA, INC.

CASE NO. PUC980093

For a certificate of public  
convenience and necessity to  
provide local exchange  
telecommunications service

FINAL ORDER

On June 19, 1998, Z-Tel Communications of Virginia, Inc. ("Z-Tel" or "the Applicant") filed an application for a certificate of public convenience and necessity to provide local exchange telecommunications service throughout the Commonwealth of Virginia.

By order dated July 10, 1998, the Commission directed the Applicant to provide notice to the public of its application, directed the Commission Staff to conduct an investigation and file a report, and scheduled a public hearing to receive evidence relevant to Z-Tel's application.

On September 4, 1998, the Staff filed its report finding that Z-Tel's application was in compliance with the Commission's Rules for Local Exchange Telephone Competition, as adopted in Case No. PUC950018, except that Z-Tel did not provide audited financial statements. Based upon its review of Z-Tel's application and unaudited financial statements, the Staff

determined it would be appropriate to grant a local exchange certificate to Z-Tel subject to two conditions: (1) any customer deposits collected by the Company shall be retained in an unaffiliated third-party escrow account until such time as the Staff or Commission determines is necessary; and (2) Z-Tel shall provide audited financial statements to the Staff on or before the effective date of its initial tariff.

A hearing was conducted on September 16, 1998. Z-Tel filed proof of publication and proof of service as required by the July 10, 1998 scheduling order. At the hearing, the application, with accompanying exhibits, and the Staff Report were entered into the record without objection.

Having considered the application and the Staff Report, the Commission finds that such application should be granted. Accordingly,

IT IS THEREFORE ORDERED THAT:

(1) Z-Tel Communications of Virginia, Inc. is hereby granted a certificate of public convenience and necessity, No. T-417, to provide local exchange telecommunications service subject to the restrictions set forth in the Commission's Rules for Local Exchange Telephone Competition, § 56-265.4:4 of the Code of Virginia, and the provisions of this Order.

(2) Z-Tel shall file tariffs with the Division of Communications which conform with all applicable Commission rules and regulations.

(3) Z-Tel shall provide audited financial statements for itself or its parent, Z-Tel Communications, Inc., to the Staff no later than one year from the effective date of its initial tariff.

(4) Any customer deposits collected by the Company shall be retained in an unaffiliated third-party escrow account until such time as the Staff or the Commission determines is no longer necessary.

(5) There being nothing further to come before the Commission, this case shall be dismissed and the papers placed in the file for ended causes.